<u>www.azasthma.org</u>

February 25, 2013

Tom Betlach, Director Arizona Health Care Cost Containment System 801 East Jefferson Street Phoenix, AZ 85034

Dear Mr. Betlach:

The Arizona Asthma Coalition urges you to support the expansion of Medicaid as recommended by Govern Brewer. Here's why:

Arizona pays a high economic cost for people who have uncontrolled asthma

- 18% of Arizonans lacked health insurance in 2010-1011, leaving over 176,000 asthmatics with no access to primary care
- Asthma is chronic disease that can be controlled in the outpatient settings such as physician's office or clinics. With proper care, medication and patient education, patients can usually avoid emergency department (ED) and hospital visits because they are less likely to have a severe asthma attack
- 33,477 people visited the ED for asthma as a first diagnosis in Arizona in 2009
- Public funds paid for a majority of these ED visits: AHCCCS = 47.6% and Medicare = 10.8%
- 8,455 people were discharged from Arizona hospitals with asthma as a first diagnosis in 2009 at a cost of \$44 million
- Public payers covered the majority of these hospital charges, \$27.6 million: AHCCCS = 39.1% and Medicare = 23.8%
- Employees who are absent from work due to asthma are responsible for lost productivity and 250% higher per capita employer expenditures
- Asthma is the main cause for children's absences from school

The proposed expansion of Medicaid eligibility to 133% of the Federal Poverty Level is a good investment for Arizona. Hospitals have offered to pay a fee to AHCCCS that will cover the \$154 million cost for expansion. Therefore no state General Fund money would be needed and there would be no tax hike for the public.

The generous Federal funds match would pump \$2 million into the economy, insure to 240,000 more people, and provide thousands of jobs in the health care industry.

For the tens of thousands of asthma patients who gain insurance coverage, the state will benefit as physicians and clinics provide less expensive, ongoing medical care, with a reduction in taxpayer-paid ED and hospital visits for asthma exacerbations. This promises to provide a good "*Return on Investment*."

Asthma patients are depending on you. We urge you to support the Medicaid expansion proposal.

Sincerely,

Mark A Brown, MD Chair, Board of Directors

Professor of Pediatrics, University of Arizona Respiratory Center